

Minutes

Corporate Governance and Human Resources Committee

May 4, 2017 | 2:00–3:00 p.m. Eastern

Conference Call

Chair Robert Clarke called to order a duly noticed open meeting of the Corporate Governance and Human Resources Committee (the “Committee”) of the Board of Trustees (“Board”) of the North American Electric Reliability Corporation (“NERC” or the “Company”) on May 4, 2017, at 2:00 p.m. Eastern, and a quorum was declared present. The agenda is attached as **Exhibit A**.

Present at the meeting were:

Committee Members

Robert G. Clarke, Chair
Frederick W. Gorbet
Deborah S. Parker
Kenneth G. Peterson
Roy Thilly

Board Members

Gerald W. Cauley, President and Chief Executive Officer
Kenneth W. DeFontes, Jr.
David Goulding

NERC Staff

Charles A. Berardesco, Senior Vice President, General Counsel, and Corporate Secretary
Tina Buzzard, Associate Director
Scott Jones, Vice President, Corporate Treasurer, and Director of Finance
Mark G. Lauby, Senior Vice President and Chief Reliability Officer
Michael Walker, Senior Vice President, Chief Financial and Strategic Development Officer

NERC Antitrust Compliance Guidelines

Mr. Clarke directed the participants’ attention to the NERC Antitrust Compliance Guidelines included with the advance agenda materials. He also reported on the Committee’s recent closed meeting.

Minutes

Upon motion duly made and seconded, the Committee approved the minutes of the February 8, 2017 open meeting as presented at the meeting.

NERC Governance Guidelines Amendment

Mr. Berardesco reviewed the proposed amendment to the Governance Guidelines, referenced the detailed material included in the advance agenda package, which is intended to provide further guidance regarding potential conflicts of interest. The Committee discussion emphasized this was intended to permit de minimus investments in companies that had a minor business line in the industry, given the evolving nature of industry participants. After discussion, and upon motion duly made and seconded, the Committee approved recommending the amendment for Board approval.

Employee Savings Plan Amendment

Mr. Jones presented the proposed amendments to the Employee Savings Plan, referencing the detailed material included in the advance agenda package, which allow for mandatory enrollment of employees in the Plan, and also set forth some additional administrative updates. The Committee had at a prior meeting authorized management moving ahead with the mandatory enrollment provisions. Upon motion duly made and seconded, the Committee approved recommending the amendment for Board approval.

ERO Enterprise and Corporate Metrics Update

Mr. Lauby reviewed the status the ERO Enterprise and Corporate Metrics, referencing the materials included in the advance agenda package, noting that results were only for the first quarter and thus very preliminary. During the Committee discussion, Mr. Lauby noted key activities during the first quarter and planned second quarter activities. The Committee requested more information in future presentations on the actual metrics, targets, and goals.

Annual Review of Trustee Compensation

Mr. Clarke noted that the Board was required to review trustee compensation on an annual basis, but that the Board had approved a three-year phase in of new compensation levels in 2015. The Committee agreed during its closed meeting that no further action was necessary for this year.

Staffing and Recruiting Update

Mr. Jones referenced the quarterly update in the advance agenda package, noting the continued improvement in the attrition rate.

Adjournment

There being no further business, and upon motion duly made and seconded, the meeting was adjourned.

Submitted by,



Charles A. Berardesco
Corporate Secretary

Agenda

Corporate Governance and Human Resources Committee

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Conference Call

Dial-in: 1-888-500-6955 | Conference ID: 3988699

Call to Order

Introductions and Chair's Remarks

NERC Antitrust Compliance Guidelines

Agenda Items

- 1. Minutes* — Approve**
 - a. February 8, 2017
- 2. NERC Governance Guidelines Amendment* — Approve and Recommend to Board of Trustees for Approval**
- 3. Proposed Amendment to the NERC 401(k) Plan* — Approve and Recommend to Board of Trustees for Approval**
- 4. 2017 ERO Enterprise and Corporate Metrics Update* — Review**
- 5. Annual Review of Trustee Compensation — Update**
- 6. Staffing and Recruiting Update* — Review**
- 7. Adjournment**

*Background materials included.